

AMENDED IN SENATE AUGUST 19, 2010

AMENDED IN SENATE JUNE 17, 2010

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 2596

Introduced by Assembly Member Portantino

February 19, 2010

An act to amend Section 19876 of, and to add Section 19955 to, the Business and Professions Code, relating to gambling.

LEGISLATIVE COUNSEL'S DIGEST

AB 2596, as amended, Portantino. Gambling: licenses.

The Gambling Control Act provides for the licensure of certain individuals and establishments involved in various gambling activities, and for the regulation of those activities, by the California Gambling Control Commission. Existing law provides for the enforcement of those activities by the Department of Justice. Existing law also requires that an application for renewal of a license application be filed with the commission no later than 120 days prior to expiration of the current license, as provided.

This bill would allow the commission to assess reasonable late penalties in order to expedite the processing of a renewal application that is not filed in a timely manner. This bill would also provide that if an owner licensee has submitted an application for renewal, as provided, and the commission is unable to act on the application prior to the expiration date, the commission can extend the current license for up to 180 days. The bill would allow the commission to assess reasonable ~~late penalties~~ *delinquency fees*, not to exceed 3 times the application

fee, when a renewal application is submitted after the deadline, as specified, but before the expiration date of the license.

Under existing law, the fee for the renewal of a state gambling license is determined pursuant to specified schedules.

This bill would allow the California Gambling Control Commission to order temporary closure of a gambling establishment for up to 90 days if an owner licensee fails to make timely payment of annual renewal fees, as provided.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 19876 of the Business and Professions
- 2 Code is amended to read:
- 3 19876. (a) Subject to the power of the commission to deny,
- 4 revoke, suspend, condition, or limit any license, as provided in
- 5 this chapter, a license shall be renewed biennially.
- 6 (b) An application for renewal of a gambling license shall be
- 7 filed by the owner licensee or key employee with the commission
- 8 no later than 120 calendar days prior to the expiration of the current
- 9 license. The commission shall act upon any application for renewal
- 10 prior to the date of expiration of the current license. Upon renewal
- 11 of any owner license, the commission shall issue an appropriate
- 12 renewal certificate or validating device or sticker.
- 13 (c) Notwithstanding the provisions of subdivision (b), if an
- 14 owner licensee has submitted an application for renewal prior to
- 15 the original expiration date of the current license and the
- 16 commission is unable to act on the application prior to the
- 17 expiration date, the commission may extend the current license
- 18 for up to 180 days.
- 19 (d) Unless the commission determines otherwise, renewal of
- 20 an owner's gambling license shall be deemed to effectuate the
- 21 renewal of every other gambling license endorsed thereon.
- 22 (e) In addition to the penalties provided by law, any owner
- 23 licensee who deals, operates, carries on, conducts, maintains, or
- 24 exposes for play any gambling game after the expiration date of
- 25 the gambling license is liable to the state for all license fees and
- 26 penalties that would have been due upon renewal.

1 (f) If an owner licensee fails to renew the gambling license as
2 provided in this chapter, the commission may order the immediate
3 closure of the premises and a cessation of all gambling activity
4 therein until the license is renewed.

5 (g) If an owner *licensee* submits an application for renewal of
6 the gambling license after the deadline set in subdivision (b) but
7 before the original expiration date of the license, the commission
8 may assess reasonable ~~late penalties~~ *delinquency fees* not to exceed
9 three times the usual application fee.

10 SEC. 2. Section 19955 is added to the Business and Professions
11 Code, to read:

12 19955. If an owner licensee fails to make timely payment of
13 annual fees required under subparagraph (B) of paragraph (2) of
14 subdivision (b) of Section 19951, the commission may order the
15 temporary closure of the gambling establishment for up to 90 days
16 after the payment due date, after which time, if the fees, or any
17 portion thereof, remain unpaid, the gambling establishment's state
18 gambling license shall be deemed surrendered.